

By: Schwertner
(Darby)

S.B. No. 1214

Substitute the following for S.B. No. 1214:

By: Bell

C.S.S.B. No. 1214

A BILL TO BE ENTITLED

AN ACT

relating to certain economic development programs administered by
the Department of Agriculture.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 12.027, Agriculture Code, is amended by
amending Subsections (b) and (d) and adding Subsection (g) to read
as follows:

(b) In administering the program, the department shall:

(1) promote economic growth in rural areas;

(2) identify potential opportunities for business in
rural areas and assist rural communities in maximizing those
opportunities;

(3) work with rural communities to identify economic
development needs and direct those communities to persons who can
address and assist in meeting those needs;

(4) encourage communication between organizations,
industries, and regions to improve economic and community
development services to rural areas;

(5) coordinate meetings with public and private
entities to distribute information beneficial to rural areas;

(6) enter into a memorandum of agreement to work
cooperatively with the Texas ~~[Department of]~~ Economic Development
and Tourism Office, the Texas A&M AgriLife ~~[Agricultural]~~ Extension
Service, and other entities the department deems appropriate to

1 further program objectives; and

2 (7) perform any other functions necessary to carry out
3 the program.

4 (d) The department by rule may charge a membership fee to a
5 ~~each~~ participant in the program.

6 (g) In addition to the department's authority under
7 Subsection (a), the department may request, accept, and use any
8 gift, grant, loan, donation, aid, appropriation, guaranty,
9 allocation, subsidy, or contribution of any item of value to
10 further an economic development program in this state.

11 SECTION 2. Chapter 12, Agriculture Code, is amended by
12 adding Section 12.0272 to read as follows:

13 Sec. 12.0272. TEXAS ECONOMIC DEVELOPMENT FUND. (a) The
14 Texas economic development fund is a fund in the state treasury.
15 The fund consists of:

16 (1) all interest, income, revenue, and other assets
17 associated with economic development programs established using
18 money allocated and paid to the department under the August 15,
19 2011, allocation agreement between the department and the United
20 States Department of the Treasury, as amended, to implement the
21 State Small Business Credit Initiative Act of 2010 (12 U.S.C.
22 Section 5701 et seq.);

23 (2) all money, deposits, distributions, dividends,
24 earnings, gain, income, interest, proceeds, profits, program
25 income, rents, returns of capital, returns on investments,
26 royalties, revenue, or yields received or realized by the
27 department as a result of an investment made by or on behalf of the

1 department pursuant to the August 15, 2011, allocation agreement
2 between the department and the United States Department of the
3 Treasury, as amended;

4 (3) gifts, loans, donations, aid, appropriations,
5 guaranties, allocations, subsidies, grants, or contributions
6 received under Section 12.027(g);

7 (4) interest and income earned on the investment of
8 money in the fund; and

9 (5) other money required by law to be deposited in the
10 fund.

11 (b) Money in the Texas economic development fund may be
12 appropriated only to the department for the purpose of
13 administering, establishing, implementing, or maintaining an
14 economic development program under this section and is dedicated to
15 and may be used only for the administration, establishment,
16 implementation, or maintenance of one or more of the department's
17 economic development programs.

18 (c) The Texas economic development fund is exempt from
19 Section 403.095, Government Code.

20 SECTION 3. Subsections (d) and (g), Section 12.040,
21 Agriculture Code, are amended to read as follows:

22 (d) To be eligible to be a Texas certified retirement
23 community, a community shall:

24 (1) through a board or panel that serves as the
25 community's official program sponsor:

26 (A) complete a retiree desirability assessment,
27 as developed by the department, to include facts regarding crime

1 statistics, tax information, recreational opportunities, housing
2 availability, and other appropriate factors, including criteria
3 listed in Subsection (e); and

4 (B) work to gain the support of churches, clubs,
5 businesses, media, and other entities, as necessary for the success
6 of the program in the community;

7 (2) identify emergency medical services and a hospital
8 within a 75-mile radius of the community; and

9 (3) submit to the department:

10 (A) a [~~an application~~] fee in an amount equal to
11 the greater of:

12 (i) \$5,000; or

13 (ii) \$0.25 multiplied by the population of
14 the community, as determined by the most recent census;

15 (B) a marketing plan detailing the mission as
16 applied to the community, the target market, the competition, an
17 analysis of the community's strengths, weaknesses, opportunities
18 and dangers, and the strategies the community will employ to attain
19 the goals of the program; and

20 (C) a long-term plan outlining the steps the
21 community will undertake to maintain its desirability as a
22 destination for retirees, including an outline of plans to correct
23 any facility and service deficiencies identified in the retiree
24 desirability assessment required by Subdivision (1)(A).

25 (g) If the department finds that a community successfully
26 meets the requirements of a Texas certified retirement community,
27 not later than the 90th day after the application is submitted and

1 approved, the department shall provide [~~the following~~] assistance
2 to the community as determined by department rule[+]

3 [~~(1) assistance in the training of local staff and~~
4 ~~volunteers,~~

5 [~~(2) ongoing oversight and guidance in marketing, plus~~
6 ~~updates on retirement trends,~~

7 [~~(3) inclusion in the state's national advertising and~~
8 ~~public relations campaigns and travel show promotions, including a~~
9 ~~prominent feature on the department's Internet website, to be~~
10 ~~coordinated with the Internet websites of other agencies, as~~
11 ~~appropriate,~~

12 [~~(4) eligibility for state financial assistance for~~
13 ~~brochures, support material, and advertising, and~~

14 [~~(5) an evaluation and progress assessment on~~
15 ~~maintaining and improving the community's desirability as a home~~
16 ~~for retirees].~~

17 SECTION 4. Subsection (a), Section 44.007, Agriculture
18 Code, is amended to read as follows:

19 (a) The board shall establish an interest rate reduction
20 program to foster the:

21 (1) creation and expansion of enterprises based on
22 agriculture in this state; or

23 (2) development or expansion of businesses in rural
24 areas of this state.

25 SECTION 5. Section 58.022, Agriculture Code, is amended to
26 read as follows:

27 Sec. 58.022. POWERS OF AUTHORITY. The authority has all

1 powers necessary to accomplish the purposes and programs of the
2 authority, including the power:

3 (1) to adopt and enforce bylaws, rules, and procedures
4 and perform all functions necessary for the board to carry out this
5 chapter;

6 (2) to sue and be sued, complain, and defend, in its
7 own name;

8 (3) to adopt and use an official seal and alter it when
9 considered advisable;

10 (4) to acquire, hold, invest, use, pledge, and dispose
11 of its revenues, income, receipts, funds, and money from every
12 source and to select one or more depositories, inside or outside the
13 state, subject to this chapter, any resolution, bylaws, or in any
14 indenture pursuant to which the funds are held;

15 (5) to establish, charge, and collect fees, charges,
16 and penalties in connection with the programs, services, and
17 activities provided by the authority in accordance with this
18 chapter;

19 (6) to issue its bonds, to provide for and secure the
20 payment of the bonds, and provide for the rights of the owners of
21 the bonds, in the manner and to the extent permitted by this
22 chapter, and to purchase, hold, cancel, or resell or otherwise
23 dispose of its bonds, subject to any restrictions in any resolution
24 authorizing the issuance of its bonds;

25 (7) to procure insurance and pay premiums on insurance
26 of any type, in amounts, and from insurers as the board considers
27 necessary and advisable to accomplish any of its purposes;

1 (8) to make, enter into, and enforce contracts,
2 agreements, including management agreements, for the management of
3 any of the authority's property, leases, indentures, mortgages,
4 deeds of trust, security agreements, pledge agreements, credit
5 agreements, and other instruments with any person, including any
6 lender and any federal, state, or local governmental agency, and to
7 take other actions as may accomplish any of its purposes;

8 (9) to own, rent, lease, or otherwise acquire, accept,
9 or hold real, personal, or mixed property, or any interest in
10 property in performing its duties and exercising its powers under
11 this chapter, by purchase, exchange, gift, assignment, transfer,
12 foreclosure, mortgage, sale, lease, or otherwise and to hold,
13 manage, operate, or improve real, personal, or mixed property,
14 wherever situated;

15 (10) to sell, lease, encumber, mortgage, exchange,
16 donate, convey, or otherwise dispose of any or all of its properties
17 or any interest in its properties, deed of trust or mortgage lien
18 interest owned by it or under its control, custody, or in its
19 possession, and release or relinquish any right, title, claim,
20 lien, interest, easement, or demand however acquired, including any
21 equity or right of redemption in property foreclosed by it, and to
22 do any of the foregoing by public or private sale, with or without
23 public bidding, notwithstanding any other law; and to lease or rent
24 any improvements, lands, or facilities from any person to effect
25 the purposes of this chapter;

26 (11) to request, accept, and use gifts, loans,
27 donations, aid, appropriations, guaranties, allocations,

1 subsidies, grants, or contributions of any item of value for the
2 furtherance of any of its purposes;

3 (12) to make secured or unsecured loans for the
4 purpose of providing temporary or permanent financing or
5 refinancing for eligible agricultural businesses for the purposes
6 authorized by this chapter, including the refunding of outstanding
7 obligations, mortgages, or advances issued for those purposes, and
8 charge and collect interest on those loans for such loan payments
9 and on such terms and conditions as the board may consider advisable
10 and not in conflict with this chapter;

11 (13) to secure the payment by the state or the
12 authority on guarantees and to pay claims from money in the
13 authority's funds pursuant to the loan guarantee and insurance
14 programs implemented by the authority;

15 (14) to purchase or acquire, sell, discount, assign,
16 negotiate, and otherwise dispose of notes, debentures, bonds, or
17 other evidences of indebtedness of eligible agricultural
18 businesses, whether unsecured or secured, as the board may
19 determine, or portions or portfolios of or participations in those
20 evidences of indebtedness, and sell and guarantee securities,
21 whether taxable or tax exempt under federal law in primary and
22 secondary markets in furtherance of any of the authority's
23 purposes; and

24 (15) to exercise all powers given to a corporation
25 under Chapter 22, Business Organizations Code [~~the Texas Non-Profit~~
26 ~~Corporation Act (Article 1396-1.01 et seq., Vernon's Texas Civil~~
27 ~~Statutes)~~], to the extent not inconsistent with this chapter.

1 SECTION 6. Subsection (a), Section 58.053, Agriculture
2 Code, is amended to read as follows:

3 (a) An eligible applicant's documentation shall include the
4 following for the board's review:

5 (1) the plan, as submitted to the lender, for the
6 applicant's proposed farm or ranch operation or
7 agriculture-related business to be financed that includes a budget
8 for the proposed operation;

9 (2) a completed application for a loan from a
10 commercial lender on which an eligible applicant has indicated how
11 the loan proceeds will be used to implement the applicant's plan;
12 and

13 (3) the signed statement of a loan officer of the
14 commercial lender that a loan guarantee is requested [~~required~~] for
15 approval of the loan application.

16 SECTION 7. The heading to Section 502.404, Transportation
17 Code, is amended to read as follows:

18 Sec. 502.404. VOLUNTARY ASSESSMENT FOR TEXAS AGRICULTURAL
19 FINANCE AUTHORITY [~~YOUNG FARMER LOAN GUARANTEES~~].

20 SECTION 8. Subsection (f), Section 12.040, Agriculture
21 Code, is repealed.

22 SECTION 9. This Act takes effect immediately if it receives
23 a vote of two-thirds of all the members elected to each house, as
24 provided by Section 39, Article III, Texas Constitution. If this
25 Act does not receive the vote necessary for immediate effect, this
26 Act takes effect September 1, 2013.